



29 April 2022

Economic Regulation Authority  
Level 4, Albert Facey House,  
469 Wellington St, Perth WA 6000

Submitted via: [publicsubmissions@erawa.com.au](mailto:publicsubmissions@erawa.com.au)

### **ALLOWABLE REVENUE AND FORECAST CAPITAL EXPENDITURE 2022-23 TO 2024-25**

Alinta Energy appreciates the opportunity to provide feedback on the ERA's draft determination for AEMO's allowable revenue and capital expenditure for 2022-23 to 2024-25.

Alinta Energy commends the ERA for its thorough review of AEMO's proposal and supports its proposed amendments. Alinta Energy acknowledges that the ERA's draft determination includes responses to all the issues raised in its submission.

While Alinta Energy considers that the ERA has worked diligently to identify and remove aspects of the proposal that would impose net costs on customers, it remains concerned that despite these changes, customers will be exposed to a 70% increase in market fees for uncertain benefits.

Alinta Energy recognises that there are limits to what the ERA's time-limited, ex-post review of AEMO's proposal can do to avoid this, especially where much of the proposed expenditure is for the ongoing implementation of WEM reform. We suggest that avoiding the high costs of this period being sustained in future periods will require fundamental changes in AEMO's processes, and cost-benefit analyses of future policy projects, including five-minute settlement, and DER Roadmap actions before the State Government commits to them.

Alinta Energy suggests that this cost-benefit analysis consider the experience of the current WEM reform and AEMO's WEM reform implementation costs, to avoid:

- future implementation costs being similarly underestimated so significantly; and
- committing the industry to reforms that may impose net costs on customers.

Thank you for your consideration of Alinta Energy's submission.

Yours sincerely



**Chris Campbell**  
General Manager, WA

Alinta Sales Pty Ltd ABN 92 089 531 984  
PO Box 8348, Perth BC, WA 6849

**T** +61 8 9486 3170 **F** +61 8 9266 4688 **W** [alintaenergy.com.au](http://alintaenergy.com.au)